

FEDERAL ENERGY OFFICE
WASHINGTON, D.C. 20461

OFFICE OF THE ADMINISTRATOR

January 9, 1974

Memorandum

To: Heads of Agencies and Departments

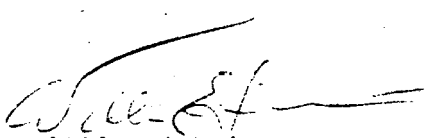
From: Administrator, Federal Energy Office

Subject: Progress Report on Energy Conservation in Federal Agencies

The enclosed copy of "Federal Agency Energy Conservation: First Quarterly Report - Fiscal Year 1974 (July through September 1973)", released on December 13, is for your information. The report, prepared by the Office of Energy Conservation, documents the 20.8 percent savings effected by 16 Federal departments and independent agencies, in response to President Nixon's June 29, 1973 directives to reduce by 7 percent, the Federal government's anticipated energy consumption over the 12 month period ending June 30, 1974.

While it is not anticipated that this high percentage of savings can be maintained throughout the balance of the 1974 fiscal year, it now appears feasible that with Government-wide participation in the energy conservation measures now being implemented, the Federal establishment can reduce anticipated energy use by an additional 7 percent during the second half of FY 1974.

Additional copies of the First Quarterly Report are available from the Office of Energy Conservation. The Second Quarterly Report covering the last three months of 1973, should be ready for release in late February or early March, 1974.


William E. Simon
Administrator

Enclosure

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FEDERAL AGENCY ENERGY CONSERVATION
FIRST QUARTERLY REPORT -- FISCAL YEAR 1974
(JULY - SEPTEMBER 1973)

OFFICE OF ENERGY CONSERVATION
of the
FEDERAL ENERGY OFFICE

Washington, D. C. 20240

December 1973

EXECUTIVE SUMMARY

On June 29, 1973, the President ordered the Federal government to achieve a 7 percent reduction in its anticipated energy consumption over the succeeding 12 months. While there are more than 80 departments and agencies within the Federal government, nearly all of the energy is consumed by the 11 cabinet departments and five large agencies. The focus of the effort has been in these 16 units. In all, a total of 20.8 percent savings in energy was made when compared to anticipated use during FY 1974. Monetary savings amounted to about \$160 million.

The Department of Defense is the largest user of energy in the government (86 percent), and it effected the greatest savings, mostly in its diminished use of automotive and aviation fuels. Seven other agencies met or exceeded the goal.

Greater savings must be effected in automotive fuel, particularly among the nonmilitary agencies. General Services Administration, operator of the government's motor pool, which is used by many other agencies, reported increases in gasoline use during the quarter, as did other civilian agencies.

Altered climates in buildings and other structures proved to be the best source for energy conservation.

While an outstanding start has been made, it must be kept in mind that winter weather, military emergencies or other circumstances may make marked inroads on the percent savings to date. Nevertheless, it now appears feasible to achieve an overall 10 percent reduction in the Federal government during the second half of FY 1974.

President Nixon, in his June 29 statement on energy and natural resources, said: "The Federal government is the largest consumer of energy in the country, and, as such, it has its own unique role to play in reducing energy consumption and thus setting an example for all consumers."

The President ordered each Executive Branch department and agency to reduce its anticipated energy consumption by 7 percent over the succeeding 12 months. The Secretary of the Interior was named as the responsible officer for monitoring these efforts and reporting on progress. The Secretary, in turn, delegated this responsibility to the Office of Energy Conservation (OEC) as one of its principal functions.

On October 9, the President released an Interim Report on Federal Energy Conservation. It detailed the agencies' use of energy in Fiscal Year 1973, which established the baseline against which energy savings in Fiscal Year 1974 would be assessed. It also reported the strategies by which each agency expected to achieve 7 percent energy savings in FY 1974. The OEC intends to issue quarterly reports containing quantitative measurements of Federal performance in meeting the 7 percent goal. It was

anticipated that the experience of monitoring and reporting would reveal both problems and opportunities throughout the government for future energy conservation efforts.*

There are more than 80 departments and agencies within the Federal government. Together, they consume nearly 3 percent of all the energy consumed in the nation. The 11 Cabinet-level departments plus five independent agencies own 97 percent of the government's vehicles, employ 98 percent of all Federal personnel, and occupy 99.7 percent of the Federal buildings, both owned and leased. They are, therefore, the focus of the Federal energy conservation effort and are the only agencies covered in this report.

Implementation

The Office of Energy Conservation called for all agencies to appoint energy conservation officers to work with OEC staff energy conservation coordinators. Together, these liaison officials have developed an efficient communication system within each agency but most particularly in the major 16. Through this liaison, paper work has been minimized, but the results are evident in the savings achieved during July, August and September 1973.

* For details, see "Federal Energy Conservation: An Interim Report, "October 1973, available from the Office of Energy Conservation, Department of the Interior, Washington, D. C. 20240.

The First Quarter Results

The goal of 7 percent energy reduction was considerably exceeded in the first quarter. The period is traditionally one of heavy energy consumption in the automotive and building cooling sectors. The Federal establishment showed a 20.8 percent savings in total energy used compared to projected use in absence of the program.

Figures I and II illustrate the savings achieved; monetary savings amounted to approximately \$160 million.

Table I shows energy consumption and savings by agency for the first quarter of FY 1974.

Table II summarizes agency savings by type of operation.

Table III provides additional statistical detail on actual use and savings by use and fuel categories.

Table IV provides a summary, in percentages, of the effectiveness of electrical energy conservation measures taken by the major agencies in their Washington, D. C., office buildings despite summer weather which was warmer than last year's.

The Department of Defense is by far the largest Federal consumer of energy, and it effected the greatest savings during the first quarter. Most of DOD's savings were in automotive and

aviation fuels (even after accounting for the Vietnam wind-down).

Other agencies which reported savings above 7 percent included Department of Transportation, National Aeronautics and Space Administration, Department of Agriculture, Veterans Administration, Department of Health, Education, and Welfare, Environmental Protection Agency, and General Services Administration.

The results in the Department of Agriculture are somewhat better than normally could have been expected. DOA reports this was due to weather both too wet to permit certain experimental agricultural work to go forward and too adverse to permit pursuit of the screwworm eradication program. Both activities picked up in the second quarter and are expected to consume much larger quantities of tractor, motor and aviation fuel.

The General Services Administration, operator of the Government's motor pool, reported large increases in automotive fuel, which created too great a demand for GSA to exceed the 7 percent goal. Automobile fuel is surfacing as one of the major areas requiring stronger action in future months, not only in GSA but throughout the government.

of energy, encountered sizeable increases in its energy usage (based upon initial reports). These increases were due in part to new law enforcement activities.

Effective Energy Conservation Strategies

Energy reductions in the buildings have been very effective. Greater results can be achieved, however. Many instances of waste are being reported to the OEC by individuals which disclose insufficient supervision or less than optimum action. The OEC appreciates receiving this information and, through its system of energy conservation coordinators, seeks to follow through on as many as possible.

The energy conservation officer-coordinator system seems to be quite effective. The five agencies which have turned in the best savings to date, together with several others which have performed well, have energy conservation officers who devote a good deal of their time -- some, full time -- to energy conservation.

Conclusions

The seven percent energy reduction program is being met. It must be kept in mind, however, that the impact of winter, military

emergencies, or other unforeseen events will probably make inroads upon the effective start which the Federal government has made. Nevertheless, it appears feasible, especially in the face of an overall energy shortage which now is estimated at 8 percent for the entire nation, to achieve a 10 percent overall reduction in energy consumption by the Federal government.

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Approved For Release 2005/04/13 : CIA-RDP80M01048A000300100007-3

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